

[ANNOTATED VERSION]*

*[*NEAR VERBATIM / DETAILED VERSION POSTED ON UCNSB WEBSITE – UCNSB.ORG]*

MINUTES OF A MODERNIZATION STRATEGY UPDATE WORKSHOP OF THE UTILITIES COMMISSION, CITY OF NEW SMYRNA BEACH, FLORIDA, HELD THURSDAY, FEBRUARY 10, 2022, AT 2:00 P.M., AT 200 CANAL STREET, NEW SMYRNA BEACH, FLORIDA

(NOTE – THIS WORKSHOP MEETING WAS HELD ON-SITE AND ADDITIONALLY AS A TEAMS MEETING TO SUPPORT OFF-SITE CONSULTANT PRESENTATIONS)

Mr. Bunch confirmed protocol for opening the Workshop and Chairman Davenport called the Modernization Strategy Update Workshop meeting to order and requested a roll call.

Roll Call:

A roll call was taken with all of the U.C. Commissioners in attendance as follows:

Commissioner Lillian Conrad
Chairman James Davenport
Commissioner Richard Hawes
Commissioner Lawrence Kelly, Jr.
Commissioner James Smith

Others in attendance were as follows: J. Bunch, General Manager/CEO; E. Chavez, Director, Finance/ CFO; J. Couillard, Director, Engineering; T. Beyrle; Director, System Operations; V. Steele, Director, Electric Operations; S. Heil, Interim Water Resources Director; B. Keehn, Director, Information Technology; John McMurray, Director, Strategic Programs; E. Fisher, Community Relations Coordinator; D. Simmons, Exec. Mgr./ Recording Secretary; General Counsel Thomas Cloud Esquire – Gray| Robinson Attorneys at Law; and Representatives for Quanta Technology, LLC – David Hart, Julio Romero Aguero, Harris Glover, Robert Dumas, and Jesus Gonzalez – all participating via Teams. There were no public attendees on site.

(1) Background and Expectations for Workshop:

Mr. Bunch stated Quanta Technology consultants were participating remotely due to COVID, limiting travel. Also explained the purpose of this Workshop was to provide an update on UCNSB's Modernization Strategic Plan which was developed to ensure alignment with our community needs and expectations now and into the foreseeable future. Prior approvals include the new Vision, Mission, Values in 2019, initial Modernization Roadmap in 2020, and a Water Optimization Study in 2020. The Modernization Roadmap is UCNSB's business path to achieving the approved Vision. With three new Utilities Commissioners appointed in the last year and a half, staff wanted to ensure all Commissioners understood the U.C.'s big picture strategy and timeline.

Introductions:

Mr. Bunch then stated okay, let's do the quick introductions around the table and then I'm going to turn it over to Mr. Hart as I promised. And Chairman Davenport we'll start with you and then go all the way around.

(2) UCNSB Strategic Grid and Water Modernization Planning – Update of Plan to Achieve “Utilities Commission of the Future” Capabilities:

After introductions were completed, detailed presentations were provided for agenda items 2-a., 2-b., 2-c., and 2-d. These presentations, along with the meeting recording (Teams mtg.) were posted on the UCNSB website/Facebook upon conclusion of this Workshop.

a. Modernization Plan – Current Recommendations – Quanta Technology, LLC – Julio Romero Aguero:

Mr. Romero provided a presentation and an update regarding grid modernization, its drivers, components, activities, initiatives, benefits and key steps to development of a grid modernization roadmap. Also explained UCNSB’s prioritization of associated programs, the proposed schedule, and financial summary of budget estimates. Additionally explained regulatory and best practices along with needed customization to address the needs of the individual utility system – for the community and customers. Provided information regarding industry direction and trends so the Commissioners would understand UCNSB’s planned direction will have the right abilities to meet those desired needs and expectations.

Mr. Romero recommended having a dedicated team and lead for grid modernization programs and stressed change management is a very important component of a successful implementation. Will also need to update or eliminate some existing processes, will need training of existing employees along with hiring new when needed, and with essential skill sets to support the new grid modernization activities.

b. UCNSB Modernization Project Timeline – John McMurray:

Mr. McMurray provided the next presentation, provided an update on the status of the UCNSB’s Modernization Roadmap programs and electric 2022-2027. Stated UCNSB will be undergoing a digital transformation of work processes. The outage management program (OMS) is proposed to go live by June, 2022.

Mr. McMurray also briefly discussed electric vehicles (EV’s) and the need for data to provide UCNSB with the ability to manage electrification. Discussed utility-scale solar projects and UCNSB’s partnering with FMPA for 10 MW solar (availability planned for December 2023) and perhaps an additional solar power supply opportunity with FMPA in the near future. In addition, a feasibility study is underway for potentially siting some solar assets at the U.C.’s Western Utility Complex (due May, 2022).

Mr. McMurray stated this his role as Director, Strategic Programs, is a dedicated role for the Modernization Roadmap projects. This role is to ensure the projects are on time, on budget and will achieve the desired customer results.

c. UCNSB AMI Assessment, RFP Preparation and Schedule – Quanta Technology, LLC – Harris Glover:

Mr. Glover provided the next presentation and provided details of an AMI (automated metering infrastructure) system project (aka “smart meters”). Explained the AMI project is

c. UCNSB AMI Assessment, RFP Preparation and Schedule – Quanta Technology, LLC – Harris Glover (cont.):

foundational and a vital component to the other Smart Grid programs. Then briefly discussed UCNSB’s current timeline and steps in Phase 1 – Planning, and also the subsequent phases, Phase 2 – Vendor Selection and Phase 3 – Execution. Stated UCNSB’s desired AMI Project closeout is at the end of 2023. Updated costs, scope and project schedule for Phase 3 of this project will be provided during Phase 2. There were some discussions regarding operational efficiencies, safety improvements and customer benefits expected from the availability of data to be acquired through modernizing the UCNSB system assets.

d. UCNSB Brand Refresh – Efren Chavez:

Mr. Chavez then provided a presentation regarding the UCNSB Brand Refresh. This is in connection with the Grid Modernization Program and consistent with the customer and community focus, and the other key messages. This was discussed when staff provided an update at the U.C. Meeting held on August 23, 2021, agenda item 4-e.

Mr. Chavez displayed and stated the new logo and colors will be representative of our coastal community and easily reproducible. The new guidelines and brand style produced were accomplished with the assistance of the U.C.’s consultant - Essence Partners. At this time staff is recommending a new logo, trademark and DBA - New Smyrna Beach Utilities. Implementation of these items will be phased and the U.C.’s legal entity (Utilities Commission, City of New Smyrna Beach, Florida) remains the same.

After discussion and input, Mr. Bunch indicated this was informational, as a discussion taking place during a Workshop, and this matter will be placed on the next agenda, for the Regular U.C. Meeting on February 28, 2022 for consideration and formal action.

e. Re-Commitment and Concurrence by Utilities Commissioners for Updated Recommendations:

All Utilities Commissioners concurred in principle to the continuance of the strategic directions presented and discussed in today’s Grid Modernization Roadmap Update.

(3) Next Steps:

U.C. staff will continue adherence to the Grid Modernization Roadmap. The individual projects, and additional updates if needed, will be brought back before the U.C. Commission for further approvals.

(4) Closing:

Chairman Davenport requested, to Mr. Chavez, if the upcoming Special U.C. Meeting on February 28, 2022, could start later, revise starting time from 2:00 p.m. to 2:30 p.m.

Mr. Chavez confirmed the Special Meeting for GM-CEO performance/merit consideration shouldn’t need more than a half hour. Also confirmed with Mrs. Simmons that the

(4) Closing (cont.):

meeting had not been noticed yet. Those in attendance all concurred to revise the commencement time of this Special U.C. Meeting to a half hour later, to 2:30 p.m.

Chairman Davenport commended staff again for their hard work and presentations and reiterated keep it up, great.

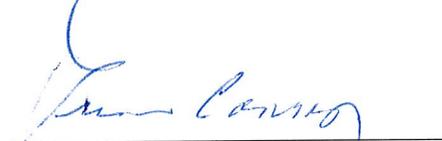
There being no further business to come before the Commission, this Workshop Meeting closed at 4:47 p.m.

APPROVED:



CHAIRMAN

ATTEST:



SECRETARY-TREASURER

These minutes were formally approved by the Utilities Commission at their March 28, 2022 meeting.